GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3056
ANSWERED ON:07.08.2015
Damodaran Panel on Business Environment
Kachhadia Shri Naranbhai

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government had appointed Damodaran Panel for reforming overall business environment in the country;

(b) if so, the details thereof;

(c) whether the aforesaid panel has submitted its report to the Government;

(d) if so, the details and the major recommendations thereof and the follow up action taken by the Government thereon;

(e) if not, the time by which the report is likely to be presented to the Government; and

(f) the other steps taken/being taken by the Government for improving business environment in the country?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY)
???????? ????? ?????? (???? ???? ?????)

(a) to (f) :-A Committee constituted by the Ministry of Corporate Affairs under the Chairmanship of Sh. M. Damodaran has submitted the report on "Reforming the regulatory environment for Doing Business in India". The Committee has inter alia made recommendations on : (a) legal reforms (b) regulatory architecture (c) boosting efficacy of regulatory process (d) enabling Micro, Small and Medium Enterprises (MSMEs) and (e) addressing state level issues. The report was placed on the website of the Ministry and shared with different Ministries and Departments for implementation of those aspects which fall under their jurisdictions. Subsequently, Department of Industrial Policy and Promotion (DIPP) has been entrusted with action on the Report as it is coordinating on matters relating to the World Bank's 'Doing Business Report' and issues relating to 'ease of doing business' in India. The Department of Industrial Policy and Promotion (DIPP) has taken a series of measures in this regard, with emphasis on simplification and rationalization of the existing rules and introduction of information technology to make governance more efficient and effective. Details are available on the DIPP website at http://dipp.nic.in/English/Investor/EoDB_Intiatives_o1June2015.pdf.

Steps taken by the Ministry of Corporate Affairs for greater ease of doing business include: -

a) Doing away with the requirement for minimum paid up capital in a company;
b) Removing the requirement to file declaration before commencement of business by a company;
c) Removing the mandatory requirement of having a common seal by the Companies;
d) Doing away with the requirement of reserving a name, and integrating the processes related to allotment of Director Identification Number (DIN), appointment of Directors etc in a single form (INC − 29) for incorporation of a company.
e) Reducing the number of procedures for starting a company, by integrating the processes across different departments through E-Biz platform of DIPP.
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